

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

FRANCE BREVETS, S.A.S.,

Plaintiff,

v.

CLEAN ENERGY MANAGEMENT
SOLUTIONS, LLC,

Defendant.

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Civil Action No. _____

CONFIDENTIAL
FILED UNDER SEAL

COMPLAINT

MORRIS, NICHOLS, ARSHT & TUNNELL LLP
David J. Teklits (#3221)
Kevin M. Coen (#4775)
Richard Li (#6051)
1201 N. Market Street
P.O. Box 1347
Wilmington, DE 19899-1347
(302) 658-9200
dteklits@mnat.com
kcoen@mnat.com
rli@mnat.com

Attorneys for Plaintiff France Brevets, S.A.S.

April 14, 2016

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FOR THE DISTRICT OF DELAWARE

FRANCE BREVETS, S.A.S.,)	
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Plaintiff,)	
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v.)	Civil Action No. _____
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CLEAN ENERGY MANAGEMENT)	CONFIDENTIAL
SOLUTIONS, LLC,)	FILED UNDER SEAL
)	
Defendant.)	

COMPLAINT

Plaintiff France Brevets, S.A.S. (“France Brevets,” or “Plaintiff”) files this Complaint against Defendant Clean Energy Management Solutions, LLC (“Clean Energy,” or “Defendant”), and alleges as follows:

NATURE OF THE PROCEEDING

1. Plaintiff brings this action seeking monetary and declaratory relief to remedy Defendant’s breach of the clear and unambiguous terms of a Patent Purchase Agreement between the parties dated March 27, 2015, pursuant to which Plaintiff sold certain patent assets to Defendant.

PARTIES

2. France Brevets is an entity incorporated according to the laws of France, with its principal place of business at 47 rue de la Victoire, 75009 Paris, France.

3. Clean Energy is a Texas limited liability company with its principal place of business at 300 Crescent Court, Suite 1650, Dallas, Texas, 75201.

JURISDICTION AND VENUE

4. The Court has original jurisdiction over this action pursuant to 28 U.S.C. § 1332 because the matter in controversy in this action exceeds the sum or value of \$75,000,

exclusive of interest and costs, and is between citizens of a State and citizens or subjects of a foreign state.

5. Venue is proper in this Court because the contract at issue contains a forum-selection clause choosing the State of Delaware as the exclusive forum for all litigation arising out of the contract. Specifically, the parties agreed in Section 9.4 of the Patent Purchase Agreement entered into on March 27, 2015 (the “Patent Purchase Agreement”) that “[t]he competent courts and tribunals situated in Wilmington, State of Delaware, USA shall have sole and exclusive jurisdiction in any dispute or controversy arising out of or relating to this agreement.”

6. In addition, the parties agreed that the Agreement would be governed by and construed in accordance with the substantive laws of the State of Delaware, exclusive of its choice-of-law rules.

FACTUAL BACKGROUND

A. Clean Energy Purchases Patents from France Brevets.

7. France Brevets is an investment fund dedicated to international patent licensing, and provides financial and strategic support to help research institutions, universities, and small and medium technology companies build valuable patent portfolios.

8. Clean Energy is a Texas-based limited liability company involved in enforcing and licensing patents. Upon information and belief, Clean Energy is a wholly-owned subsidiary of Dominion Harbor Group, LLC (“Dominion Harbor”), which works with companies, entrepreneurs and universities to analyze and optimize the value of their intellectual property.

9. In January 2015, David Pridham, Chairman and CEO of Dominion Harbor, approached Plaintiff and proposed to work together to license certain patents owned by

Plaintiff at the time. David Pridham was intimately familiar with the specific patents because he formerly served as the CEO of the parent company that sold the patents (and associated rights) to Plaintiff in 2012.

10. Following further negotiations between the parties, on March 27, 2015, France Brevets and Clean Energy, a wholly-owned subsidiary of Dominion Harbor, entered into the Patent Purchase Agreement, pursuant to which France Brevets sold the patents and any and all rights associated with them to Clean Energy.

11. The closing of the purchase and sale of the assigned patent rights took place on or about April 23, 2015.

12. Defendant did not make any monetary payment to Plaintiff at the time of closing. Rather, in consideration for the assigned patent rights, Clean Energy agreed in the Patent Purchase Agreement to pay France Brevets a portion of any compensation received by Clean Energy from the licensing and/or enforcement by Clean Energy of the patents each quarter until six years after the expiration of the last patent to expire.

13. In addition, under the express terms of the Patent Purchase Agreement, Defendant guaranteed Plaintiff payment of \$900,000. Specifically, pursuant to Section 3.5 of the Patent Purchase Agreement, in the event that the quarterly payments did not exceed \$450,000.00 by December 31, 2015, Clean Energy was required to pay France Brevets a true-up milestone payment equal to the difference between the sum of any quarterly payments already made to France Brevets and \$450,000.00 (the "First Milestone Payment"). Defendant was required to make the First Milestone Payment no later than thirty days after the end of the Milestone Period.

14. Therefore, under the terms of the Patent Purchase Agreement, Clean Energy was obligated to pay France Brevets, at a minimum, \$450,000.00 on or before January 30, 2016.

15. To date, Clean Energy has not made any payments to Plaintiff pursuant to the Patent Purchase Agreement.

16. Thus, Clean Energy has materially breached the Patent Purchase Agreement by failing to pay France Brevets the mandated \$450,000.00 First Milestone Payment.

17. Further, Clean Energy is obligated to pay France Brevets a second milestone payment of \$450,000.00 within thirty days of December 31, 2016 (the “Second Milestone Payment”).

18. Clean Energy has repudiated its obligation to pay France Brevets any consideration arising out of the Patent Purchase Agreement and France Brevets’ sale of the patents to Clean Energy.

CAUSE OF ACTION

19. France Brevets re-alleges and incorporates by reference the allegations set forth above as if fully set forth herein.

20. The Patent Purchase Agreement signed between the parties on March 27, 2015 is a valid and enforceable contract between France Brevets and Clean Energy.

21. France Brevets performed under the Patent Purchase Agreement by assigning certain interests and rights in patents to Clean Energy.

22. Clean Energy breached the Patent Purchase Agreement by failing to pay France Brevets any amount owed, including, without limitation, the First Milestone Payment.

23. Clean Energy has repudiated its obligation to pay France Brevets the Second Milestone Payment.

24. All conditions precedent in the contract have been performed or have occurred.

PRAYER

For the foregoing reasons, Plaintiff respectfully prays and requests that the Court grant the following relief:

- a. Enter judgment in Plaintiff's favor and against Defendant on all claims asserted by Plaintiff herein;
- b. Award damages to Plaintiff resulting from Defendant's breach of contract as pled above, including \$450,000.00 in monetary damages to account for failure to pay the First Milestone Payment, and a declaration that Defendant is obligated to pay the Second Milestone Payment of \$450,000.00 to Plaintiff on or before January 30, 2017;
- c. Grant pre-judgment and post-judgment interest at the maximum rate allowed by applicable law;
- d. Award all reasonable and necessary attorney's fees and costs incurred by Plaintiff in this action; and,
- e. Grant such other and further relief as this Court deems just and proper.

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/s/ Kevin M. Coen

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